

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3450-01  
Bill No.: SB 598  
Subject: Counties; Taxation and Revenue - Property  
Type: Original  
Date: January 28, 2010

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Bill Summary: This proposal requires all first class counties to accept installment payments for certain property taxes.

**FISCAL SUMMARY**

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND                          |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2011    | FY 2012    | FY 2013    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS                             |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2011    | FY 2012    | FY 2013    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS                                 |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2011    | FY 2012    | FY 2013    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>All</u><br/>Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) |          |          |          |
|--|----------|----------|----------|
| FUND AFFECTED                                      | FY 2011  | FY 2012  | FY 2013  |
|  |          |          |          |
|  |          |          |          |
| <b>Total Estimated<br/>Net Effect on<br/>FTE</b>   | <b>0</b> | <b>0</b> | <b>0</b> |

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| ESTIMATED NET EFFECT ON LOCAL FUNDS |                  |                  |                  |
|-------------------------------------|------------------|------------------|------------------|
| FUND AFFECTED                       | FY 2011          | FY 2012          | FY 2013          |
| <b>Local Government</b>             | <b>(Unknown)</b> | <b>(Unknown)</b> | <b>(Unknown)</b> |

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **State Tax Commission** and **St. Louis County** each assume the proposal would not fiscally impact their respective agencies.

Officials of **Boone County** state they currently take installment payments monthly. Therefore, the County would not be fiscally impacted by the proposal.

Officials of **Cass County** assume there will be administrative cost to setting up an installment payment method and further assumes a cost if bills are to be issued prior to the current date(s) set in statute. Officials state that the collector may have to adjust staff and coordinate payment dates as well as billing dates. Officials assume the cost could exceed \$100,000 for staffing needs; thus, assume a \$100,000 to unknown fiscal impact.

The **Cole County Collector of Revenue** stated they are currently accepting quarterly payments for Real Estate Taxes that are not delinquent. It costs over \$10,000 to have software developed that could accept the payments and then merge them into the current system annually. Officials estimate the county will spend another \$3,000 to \$5,000 a year to operate the program and cover the cost of postage and supplies.

**Oversight** assumes this proposal is not permissive and requires counties of the first class to establish a system of quarterly collections. Many counties would have costs associated with programming changes, staff time, postage, printing, and additional accounting duties. Oversight will show a fiscal impact to local government to be a negative unknown.

**Oversight** assumes there would be no state costs.

The following counties did not respond to Oversight's request for fiscal impact: **Buchanan, Camden, Cape Girardeau, Callaway, Clay, Franklin, Greene, Jackson, Jasper, Jefferson, Platte, St. Charles, and Taney.**

|   |                     |            |            |
|---|---------------------|------------|------------|
| <u>FISCAL IMPACT - State Government</u> | FY 2011<br>(10 Mo.) | FY 2012    | FY 2013    |
|   | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Local Government

FY 2011  
(10 Mo.)

FY 2012

FY 2013

**FIRST CLASS COUNTIES**

Cost - To First Class Counties  
establishing a system of  
quarterly tax payments.

(Unknown)

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT TO  
FIRST CLASS COUNTIES**

**(Unknown)**

**(Unknown)**

**(Unknown)**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act would require all first class counties to adopt an order or ordinance permitting the payment of property taxes, except those taxes owed by financial institutions, in installments.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

State Tax Commission  
Boone County  
St. Louis County  
Cass County  
Cole County Collector

**Not Responding:**

**Buchanan County**

**Camden County**

**Cape Girardeau County**

**Callaway County**

**Clay County**

KG:LR:OD)

SOURCES OF INFORMATION (continued)

**Not Responding:**  
**Franklin County**  
**Greene County**  
**Jackson County**  
**Jasper County**  
**Jefferson County**  
**Platte County**  
**St. Charles County**  
**Taney County**

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
January 28, 2010